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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

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JUL - 8 1997

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of)	
)	
Review of the Commission's)	MM Docket No. 91-221
Regulations Governing Television)	
Broadcasting)	
)	
Television Satellite Stations)	MM Docket No. 87-8
Review of Policy and Rules)	
)	
Review of the Commission's)	MM Docket No. 94-150
Regulations Governing)	
Attribution of Broadcast and)	
Cable/MDS Interests)	
)	
Review of the Commission's)	MM Docket No. 92-51
Regulations and Policies)	
Affecting Investment in the)	
Broadcast Industry)	
)	
Reexamination of the Commission's)	MM Docket No. 87-154
Cross-Interest Policy)	
)	

TO: Office of the Secretary

RESPONSE OF PAPPAS TELECASTING OF CENTRAL NEBRASKA,
HILL BROADCASTING COMPANY, INC., AND FANT BROADCASTING
COMPANY OF NEBRASKA, INC.
REGARDING LOCAL MARKETING AGREEMENTS

Fant Broadcasting Company of Nebraska, Inc.
("Fant"), the holder of the Federal Communications
Commission ("FCC") licenses for commercial television
broadcast stations KHGI-TV, Kearney, Nebraska, KWNB-TV,
Hayes Center, Nebraska, and KSNB-TV, Superior, Nebraska

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(collectively, KHGI-TV, KWNB-TV, and KSNB-TV are referred to hereinafter as the "NTV Stations"), Hill Broadcasting Company, Inc. ("Hill"), the holder of the FCC license for commercial television broadcast station KTVG-TV, Grand Island, Nebraska, and Pappas Telecasting of Central Nebraska, a California Limited Partnership ("Pappas"), by their respective undersigned counsel, hereby respectfully respond to the FCC's Public Notice entitled, "Commission Seeks Further Information Regarding Television LMAs," released on June 17, 1997, 62 Fed. Reg. 33792 (published on June 23, 1997) (the "LMA Notice").

Fant and Pappas are parties to a Time Brokerage Agreement dated as of July 1, 1997, pursuant to which Pappas acts as time broker with respect to each of the NTV Stations. On July 1, 1997, Pappas also acquired and assumed, respectively, Fant's rights and obligations as time broker under a Time Brokerage Agreement dated as of April 1, 1994 between Fant and Hill with respect to KTVG-TV. Consequently, since July 1, 1997, Pappas has acted as time broker for the NTV Stations and for KTVG-TV. ^{1/}

^{1/} Fant and Pappas also entered into an Asset Acquisition Agreement dated as of July 1, 1997, pursuant to which Pappas agreed to purchase the NTV Stations from Fant, and filed an application with the FCC (File Nos. BALCT-960723KJ; BALCT-
(continued...))

In the LMA Notice, the FCC asked parties to so-called "Local Marketing Agreements" ("LMAs") involving television broadcast stations to provide certain information listed in Paragraphs (1) through (8) of the LMA Notice. Fant and Pappas have set forth their responses to those Paragraphs with respect to the NTV Stations on Attachment A hereto. Hill and Pappas have set forth their responses to those Paragraphs with respect to KTVG-TV on Attachment B hereto.

The FCC also requested in Paragraph (9) of the LMA Notice that parties to LMAs provide any other information that they wish to bring to the FCC's attention. Fant, Hill, and Pappas hereby respond to that request, as follows:

1/(...continued)

960723KK; and BALCT-960723KL) requesting the FCC's consent to the voluntary assignment of the FCC licenses for the NTV Stations from Fant to Pappas. Pappas's rights under the Acquisition Agreement to purchase KSNB-TV were subsequently assigned to Colins Broadcasting Company ("Colins"), and the KSNB-TV license assignment consent application was amended accordingly (File No. BALCT-970128IA) in order to request the FCC's consent to the voluntary assignment of the FCC license for KSNB-TV from Fant to Colins. Pappas and Colins have entered into a Time Brokerage Agreement, pursuant to which Pappas will continue to act as time broker for KSNB-TV after Colins shall have acquired KSNB-TV from Fant.

Prior to September, 1996, each of the NTV Stations was an affiliate of the American Broadcasting Companies, Inc. ("ABC") television network. KTVG-TV was, and is, an affiliate of the Fox Broadcasting Company ("Fox") television network. In September, 1996, Fant, in consultation with Pappas, changed the affiliation of KSNB-TV from ABC to Fox. Whereas KTVG-TV, which has very limited coverage, was the only Fox affiliate in the Lincoln-Hastings-Kearney, Nebraska Designated Market Area ("DMA") prior to September, 1996, the DMA now has two Fox affiliates: KTVG-TV and KSNB-TV. Moreover, through a combination of the change of KSNB-TV's affiliation to Fox and the fact that the KTVG-TV and KSNB-TV signals are provided to Cable USA -- one of the largest cable television system operators in Central Nebraska -- the audience reach of KTVG-TV/KSNB-TV has been extended approximately five-fold or more over the reach of KTVG-TV when it was the sole Fox affiliate in the DMA. The result is that many more people now have access to Fox programming, including the Fox Children's Network which is recognized as a leader in providing informational and educational children's programming.

In addition, since Pappas has been providing programming to KTVG-TV in Pappas's role as time broker, Pappas has substantially increased the amount of news

carried on the station. Whereas prior to Pappas's involvement, the amount of news carried on KTVG-TV was minimal, KTVG-TV now carries the same news programming as the NTV Stations; i.e., half-hour broadcasts at 6:30 a.m., 12:00 noon, 6:00 p.m., and 10:00 p.m.

Fant, Hill, and Pappas also intend to make improvements to the transmitting facilities of KHGI-TV and KTVG-TV that will significantly enhance those stations' ability to serve the public. The Federal Aviation Administration's and the FCC's approvals have been granted to permit the construction of a 1,919-foot-high tower in Ravenna, Nebraska on which the KHGI-TV and KTVG-TV antennas will be mounted. Relocation of those stations' facilities to that tower will enable them to reach a far larger audience, particularly with respect to KTVG-TV which has historically had a very small reach.

Respectfully submitted,

FANT BROADCASTING COMPANY OF NEBRASKA, INC.

By: Howard M. Weiss (by DDB)
Howard M. Weiss
Its Attorney
Fletcher, Heald and Hildreth, P.L.C.
1300 North 17th Street
Rosslyn, Virginia 22209
Telephone: (703) 812-0400

HILL BROADCASTING COMPANY, INC.

By: Howard M. Weiss (by DDB)
Howard M. Weiss
Its Attorney
Fletcher, Heald and Hildreth, P.L.C.
1300 North 17th Street
Rosslyn, Virginia 22209
Telephone: (703) 812-0400

**PAPPAS TELECASTING OF CENTRAL NEBRASKA, A
CALIFORNIA LIMITED PARTNERSHIP**

By: David D. Burns
David D. Burns
Its Attorney
Paul, Hastings, Janofsky & Walker LLP
1299 Pennsylvania Avenue, N.W.
Washington, D.C. 20004-2400
Telephone: (202) 508-9521

July 8, 1997

**Attachment A
LMA REPLY FORM**

MARKET: Lincoln -- Hastings -- Kearney, NE

DMA#: 101

	Channel No. & Call Sign	Network Affiliation	Licensed Community	Owner/Licensee/Broker	Degree of Overlap (%) (estimated)			Nielsen (all day) Audience Share (9 a.m. - Midnight)		
					City Grade	Grade A	Grade B	11/96	2/97	5/97
Brokered Stations:	KGHI Ch. 13	ABC	Kearney, NE	Fant Broadcasting Company of Nebraska, Inc.	0%	10%	30%	8	8	10
	KWNB Ch. 6	ABC	Hayes Center, NE		N/A					
Brokering Entity:	KSNB Ch. 4	Fox	Superior, NE	Pappas Telecasting of Central Nebraska	0%	10%	30%			
					(between KHGI and KSNB)					

LMA Specifics:	Date of LMA Signing	Length of Initial Term	Initial Term Start Date	Initial Term End Date	Renewal Provisions/Terms	% Time Brokered Per Week
	7/1/96	5 years	7/1/96	7/1/2001	KWNB is a satellite of KHGI. Automatically renewed for 5 years, unless Broker provides 6 month notice not to renew.	Substantially all

**Attachment B
LMA REPLY FORM**

MARKET: Lincoln -- Hastings -- Kearney, NE

DMA#: 101

	Channel No. & Call Sign	Network Affiliation	Licensed Community	Owner/Licensee/Broker	Degree of Overlap (%) (estimated)			Nielsen (all day) Audience Share (9 a.m. - Midnight)		
					City Grade	Grade A	Grade B	11/96	2/97	5/97
Brokered Station: Brokering Entity:	KTVG Ch. 17	Fox	Grand Island, NE	Hill Broadcasting Company, Inc. Pappas Telecasting of Central Nebraska	Undetermined (between KTVG and KHGI, a station for which Pappas Telecasting also acts as time broker)	100%	100%	---	---	---

LMA Specifics:	Date of LMA Signing	Length of Initial Term	Initial Term Start Date	Initial Term End Date	Renewal Provisions/Terms	% Time Brokered Per Week
	4/1/94	5 years	4/25/94	4/25/99	No specific renewal provision	Substantially all